




Medicare Rx: A National Conversation

Audio	Visual
<p>Opening: Introductory music.</p> <p>SEC. MICHAEL LEAVITT: Hello. I'm very pleased to share a historic moment with you. For the first time ever, everyone with Medicare will have access to prescription drug coverage. There are several reasons that you should consider signing up for the new drug benefit.</p> <p>First, it can save you money. Starting now. In most states, you can buy a Medicare approved plan for under twenty dollars a month. And you'll never have to worry again about losing your savings because of the high cost of prescription drugs. And finally, and maybe most importantly, having prescription drug coverage can help you stay healthy, now and in years to come.</p> <p>Now, you're going to learn more about the prescription drug coverage. Because we're bringing this town hall meeting to you right now in your home. So enjoy the show and make the decision that's best for you.</p> <p>ANNOUNCER: Introducing our host and moderator for tonight's meeting, Mr. John Palmer.</p> <p>MR. JOHN PALMER: Hello. And welcome to Richmond, Virginia.</p> <p>By now, you've probably heard about the new coverage. Information is everywhere, in print, on the web, in the media. But one of the best ways to learn more about it is the old fashioned way -- talk. And that's what we intend to do tonight.</p>	  

To join us in that discussion, we have three people who have generously agreed to donate their time and their special understanding of Medicare prescription drug coverage and the people it will serve.

Let me now introduce Dr. Mark McClellan, Administrator for the Centers for Medicare and Medicaid Services. Dr. Miriam Burnett, Medical Director of the African Methodist Episcopal Church Connectional Health Commission. And Carla Obiol, Director of North Carolina's State Health Insurance Assistance Program.

In addition to our conversation, we'll present stories about people with prescription needs and drug coverage that maybe similar to your own. The audience and the panel will discuss the special circumstances of these people and the choices they have, what they should consider and where they can find help.

The audience, people with Medicare just like you and me, and those who care about them, will ask questions that probably reflect some of your own concerns. They'll also have the time afterwards at the end of our meeting to ask about their personal situations. Our panel will do its very best to answer all of those questions and to suggest additional resources if necessary.

So to start off, I'm going to ask Dr. McClellan to give us a brief summary of this new coverage. What do we need to know before we begin our discussion, Dr. McClellan?



DR. McCLELLAN: John, this is an important new benefit for everyone with Medicare. No matter how you pay for your prescription drugs, no matter how you get your Medicare today, no matter what your income, the new Medicare drug benefit can help you with the cost and with security when it comes to prescription drugs which are just an essential part of modern medicine today.

There are some important dates coming up about the drug benefit. January 1st is when the coverage begins if you've made a decision to sign up. This is a voluntary drug benefit. But you don't need to rush into this decision. You have until May 15th, 2006 to make a decision. We've got a lot of different kinds of people in the Medicare program, those 42 million beneficiaries. And many of them like to get their coverage in different ways. So something to think about when you're choosing your prescription drug plan option is what we call the three C's, cost, coverage and convenience. And we'll talk more about that.

But importantly, this is a voluntary benefit for everyone with Medicare. And it's time now to have a conversation about it. If you're on Medicare or if you have someone, a parent, a loved one, who you care about who's in the Medicare program.



MR. JOHN PALMER: All right. Well, let's get started. Let's get started right away. And we'll first take a look at a story. It's the first of a couple of stories that we have for you tonight. Two people closely related except in their health and prescription needs.



RICHARD: Of the two of us, he's the healthier.

MS: Richard, age 72.

BENJAMIN: Well, I'm still a young man.



MS: And his brother Benjamin, 65.

BENJAMIN: I've got seven prescriptions this year. I've got heart disease. And my biggest problem is high blood pressure.

RICHARD: I needed a couple too, antibiotics and pills to lower my cholesterol.







MS: Richard has Medicare with Medigap supplemental coverage which pays for his prescriptions. Benjamin has Medicare, but no prescription coverage.

BENJAMIN: I use a drug discount card. And I ask for generics.

MS: Benjamin's Medicare approved drug discount card stops working on May 15th. Medicare drug coverage is insurance and offers much more than the simple discounts offered by the drug card.

RICHARD: I spend a lot more at the beginning of the year when I'm meeting my deductible. That's hard. Right after Christmas and right before taxes.



<p>MS: Richard already knows that Medicare prescription coverage offers greater savings than his Medigap drug coverage. With the help of friends, he's comparing the cost of premiums and deductibles.</p> <p>MS: Lots of good plans to decide on. I'll figure it out.</p> <p>MS: I have basically one decision. Should I join a plan?</p> <p>MS: Yes, you should. You're getting older.</p>	 
<p>MR. JOHN PALMER: Well, okay. I have a question for Dr. Burnett. Dr. Burnett, let's start with the people who have no prescription coverage whatsoever. Benjamin didn't either. But he seems at least reasonably healthy. His prescription costs probably aren't very high. Why should people like that whose prescription costs are not very high, why should they consider joining the plan?</p> <p>DR. BURNETT: Several reasons. One is peace of mind. Peace of mind to know that if something were to occur where a chronic illness were to occur or a severe acute illness were to occur that it would not take away your savings trying to get the prescriptions filled. So preparing and being proactive allows for some peace of mind.</p> <p>Sometimes an acute setting that lasts less than a month can cause medication costs of over \$200 or \$300. For some people, that's significant enough that they may have to choose whether or not they're going to buy food. Or as heating costs rise, whether or not they're going to be able to heat their home for that month.</p>	 

MR. JOHN PALMER: Well, those chronic health conditions that you did touch on there, we've seen that a lot of people here today have those conditions. And certainly millions more at home do. And they're also concerned about how much coverage will cost. I'm wondering what they should focus on when they choose a plan. Maybe Dr. McClellan, I bet you can help us with that, certainly.

DR. McCLELLAN: Well, the plans will provide some real help with those prescription drug costs. For people who are taking just a few medications and especially those who are taking a lot of prescription drugs, for a typical person with Medicare, the drug benefit is expected to cover more than half of their prescription drug costs. And for people with limited incomes, about one in three of our beneficiaries, there's extra help available that will enable you to get more than 95 percent of your prescription drug cost covered. So all but a few dollars.

When you're looking at a plan to decide which plan to choose, you can make a list of your medicines. And we'll help you at the Medicare program and at many other sources of assistance, find a drug plan that can save you real money. And we'll tell you how much you're going to pay for your drugs under the new plan.

MR. JOHN PALMER: Well, what if they discover that the drug that they take is not on the plan? What then? You want to take that, Ms. Obiol?

MS. CARLA OBIOL: Sure. Generally, the drugs that you need will be covered by the Medicare plans. All Medicare plans must provide for the people in their plans, coverage for medically necessary drugs that are going to treat their health conditions.



You may want to find or talk with your doctor if a drug is not on the list and talk about an alternative. If the doctor feels that you need a particular drug, then you can always file for an exception.

MR. JOHN PALMER: All right. Let's give our audience now a turn. You've seen the story of Richard. You've seen the story of Benjamin. And you have heard some very basic descriptions of the coverage. What's on your mind so far? We have a question here from Paul Lindsey. Paul, could you state your question, please? And we'll have one of the members of the panel answer it for you.

MR. PAUL LINDSEY: Yes, I have analyzed my drugs that I'm taking now. And I'm currently under the 50 percent on Plan J. Are there resources available that will help me determine which plan is best for me?

MR. JOHN PALMER: Ms. Obiol?

MS. CARLA OBIOL: You probably should consider a Medicare prescription drug plan. The Medicare drug plans will probably provide you more significant savings than what you're currently paying with your co-payment and also give you better protection for higher drug costs.

I would advise for folks that have Medigap coverage that they talk to their Medigap insurers if they have questions. They can also talk to their state health insurance assistance program or SHIP. Every state has a SHIP program. And I think that they will be able to answer the questions you have.



MR. JOHN PALMER: Well, we have another question here from the audience. This one is from Jennifer Barnes. Jennifer.

MS. JENNIFER BARNES: Can you explain the so-called doughnut hole?

MR. JOHN PALMER: That's one for Dr. McClellan.

DR. McCLELLAN: Sure. I'd be happy to answer that question. Medicare has a basic benefit in the prescription drug program that has a deductible and then Medicare pays for the next \$2,000 in your drug costs. And then there's a gap in coverage, the so-called doughnut hole, where you're paying all the costs on your own.

And then after that, Medicare provides protection against very high expenses. Now, even if you get to the doughnut hole, Medicare has already given you at least \$1,500 worth in help with your drug costs and payments from the insurance plans. So compared to what you're paying in a premium, you're coming out way ahead.

But also, if you think you may get in the gap or if you want more comprehensive coverage, there are drug plan options available that fill it in. So if you don't want the doughnut hole, you don't have to get it. You can get a drug plan that provides more comprehensive coverage.

MR. JOHN PALMER: All right. Well, we want to emphasize once again that you can find more information on these savings from a variety of public resources. Let's take a short break now and we'll return in just a minute.



MS: Need more information? Want someone to help?

Information on the new Medicare prescription drug coverage is all around you. You might start with the Medicare and You handbook, a guide about the program that covers all the details, or the many other publications available. You can also call our help line at 1-800-Medicare. If you prefer the Internet, try our website or any of the other sites that offer assistance, like the elder care locator. Just pick up a phone or click a link.

MR. JOHN PALMER: There are obviously many tools to help you make informed choices about the new Medicare prescription coverage. But sometimes the greatest resource that you have isn't on a screen or in a booklet or something. Sometimes, it's sitting right there, right beside you.

FS: You want to know the best pharmacy in town? It's right here in my kitchen.

MS: Sylvia, age 80.

FS: Mom had a stroke last year. She also has osteoporosis.

MS: And her main caregiver, daughter Catherine. Sylvia's drug costs exceeded \$4,000 last year. She has a Medicare advantage plan that covers her health care and drug prescriptions.

FS: We get mom's medication through the mail which is a big help. I still have two kids at home. So life gets pretty busy.

MS: Sylvia will be able to stay in her current plan and continue to get health care prescription coverage through her Medicare Advantage plan. She can also look at other plans and decide if she wants to switch.



FS: We're talking about which plan meets our needs. And we're doing our homework.

MS: Sylvia has many personal needs to consider. She should look at plans that cover mail order drugs and her specialized medications. Since she has high out of pocket costs, she should also consider plans that offer continuous coverage.

FS: What would I do without you?

FS: You'll be fine.

MR. JOHN PALMER: This is a familiar scenario in modern day America. Lots of people have very, very busy lives. And they're also serving as caretakers or taking care of patients with serious chronic health conditions. Dr. McClellan, what do they need to consider? How can the new prescription coverage ... how can this help them?

DR. McCLELLAN: Well, many seniors and people with a disability today rely on their adult children or friends, family members, other caregivers, to help them make important decisions. And this is an important decision. It's worth having a conversation about.

The resources that were just mentioned like the 1-800-Medicare customer service number for people who like to go on the Internet going to Medicare.gov and in every community around the country, the state health insurance assistance programs which you can locate by calling 1-800-Medicare, going online at eldercare.gov can give you some resources right in your area to find out more. There are written materials that people can use as well.



So these family members or caregivers are very important parts of making this decision. And they can use all the same resources that are available to seniors and people with a disability themselves to help people make the decision about the Medicare coverage, help find a plan based on cost, coverage and convenience on what's a good fit for them.

MR. JOHN PALMER: We have a couple more key questions from our audience. Let's go now to Jackie Lindsey.

MS. JACKIE LINDSEY: My question is we currently order a ninety day supply of prescription drugs, either from mail order or our local retail outlet. Under plan D, will we be able to continue to do that and have that option?

MR. JOHN PALMER: Dr. Burnett.

DR. BURNETT: Yes, you will. The best advice is for you to look at the drug plans that are available in your area and choose the one that will allow you to have the convenience that you seek. Whether it be the mail order or the ability to get ninety day prescriptions at your local pharmacy. But look at the tools and choose based on the convenience that you seek.

MR. JOHN PALMER: All right. Moving right ahead, we have a question from Carrol Graham, yes sir.

MR. CARROL GRAHAM: I just turned thirty, uh sixty-five years of age ten days ago. And I received my Medicare card with the Part A program. And I've opted for the Part B program. But I'm also a retired federal employee. And I have federal employee health benefits plan which I'll have to make a decision on very shortly. Should I continue my federal employee plan program?



MR. JOHN PALMER: Ms. Obiol, can you handle that one?

MS. OBIOL: Yes, and welcome to the Medicare program. It's a good time to be eligible for Medicare. Medicare is doing all it can to help employers and unions provide prescription drug coverage to their retirees. If your retiree program, which you said is the retired federal program, meets Medicare standards, then that means that it's creditable coverage.

So if your group plan has creditable coverage, then you will stay on that group plan and would not purchase a Medicare prescription drug plan.

MR. JOHN PALMER: Well, that brings us to yet another question. What if you have a Medicare Advantage plan now? What should you do, Dr. McClellan?

DR. MCCLELLAN: Well, a lot of people get their Medicare benefits through the Medicare Advantage program, John. That's a program that allows people to get their ... all of their Medicare coverage through a private health plan, an HMO plan or increasingly a PPO, Preferred Provider Organization, plan in Medicare or private fee for service plan.

Those plans mostly today offer extra benefits and give people extra savings through networks of doctors and hospitals. And a PPO, you can go outside of the network and go to any doctor/hospital you want as well. Those extra benefits today often include prescription drugs.

Next year, those plans are going to offer even more drug coverage. And often, they'll do it at a lower cost. Many Medicare Advantage plans next year will have drug coverage for zero additional premium.



So if you're in a Medicare Advantage plan that has some drug coverage now and the Medicare Advantage plan that you like, you can stick with it and get the drug coverage.

Or you can look at all the other options we've been talking about. You can switch to a different Medicare Advantage plan. Or you can get drug coverage in the traditional Medicare program and add in the drug benefits.

MR. JOHN PALMER: You know, it's a given that all of the costs of the drug coverage are important certainly to the great majority of the people. But they're especially important for those who have limited income and very limited resources.

FS: I live alone. Just me and Bailey here. I take care of myself the best I can.

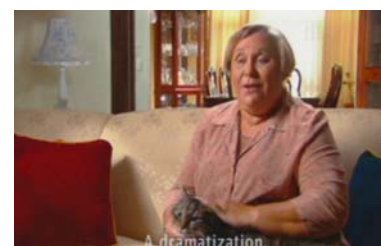
MS: Meet Louise, age 76.

FS: When my husband died, there were no benefits or pension plans. Because he worked for himself all those years.

MS: Louise receives help from both Medicare and Medicaid. Medicare provides coverage for her doctor visits and hospital care. Medicaid covers her prescription drugs.

FS: I've been coming here for fifteen years. And we're just like old friends. Every month, they have my prescription ready. And all I have to do is sign my name.

MS: Starting January 1st, Medicare, instead of Medicaid, will pay for Louise's prescription drugs. She'll have no premiums or deductibles, no gaps in coverage and she'll pay very little or nothing for almost all her prescription drugs.



FS: Right now, I'm on two regular medicines. One is for my heart. And one is for my arthritis. One helps me to wake up in the morning. And the other one helps me to get up.

MS: Because Louise is on Medicaid, if she hasn't chosen a prescription drug plan by December 31st, Medicare will choose one for her. She can still compare plans and switch to one of her own choice at anytime without penalty.

MS: Louise is talking it through with the counselor at her church. He'll help her compare plans. And if she chooses, enroll in another plan. He'll even help her fill out the forms. All Louise needs to do is make a choice.

JOHN PALMER: Ms. Obiol, Medicare will automatically choose a drug plan for Louise and everyone else with Medicare who currently gets their drugs covered by Medicaid unless they do it themselves. Why and how does Medicare do that?

MS. OBIOL: Well, Medicaid drug coverage for folks that have Medicare will end December 31st, 2005. And Medicare drug coverage will begin January 1st, 2006. So people that are eligible for Medicaid will automatically be enrolled in a Medicare drug plan prior to January 1st. So that they will have continuous uninterrupted coverage.

As Louise mentioned in the example, she is a Medicaid recipient. She has the opportunity to look at all of the Medicare drug plans and choose one that's going to fit her particular needs. However, if Louise doesn't do that before December 31st, then Medicare will automatically enroll her in a plan so her coverage will begin January. Louise can change plans at anytime if she wants to go into another plan.



MR. JOHN PALMER: Let's move on. Let's go to another questioner from the audience here in Richmond. Allen Flynn, please. Your question?

MR. ALLEN FLYNN: Is this program just for people with low income?

MR. JOHN PALMER: Well, I think I know the answer to that one. But Dr. Burnett, why don't you take that?

DR. BURNETT: Regardless of income, if you are eligible for Medicare, you will be automatically eligible for the Medicare prescription drug plan. So regardless of income, if you're eligible by age or by disability that has already been approved for Medicare, you are eligible for the Medicare prescription drug plan.

MR. JOHN PALMER: Moving right along now. And we're covering certainly a lot of territory; we have a question from the audience. This one from Nicky McQuirter.

MS. NICKY McQUIRTER: Yes, will there be additional cards issued? Or will recipients use the cards they already have?

MR. JOHN PALMER: Ms. Obiol, can you pick that one up?

MS. Obiol: Yes, people that join a Medicare drug plan will receive a Medicare card or a plan card from the Medicare drug company in which you bought the plan. It will not replace a person's Medicare red, white and blue card. So it's important that folks continue to keep their Medicare card, but they will have an additional card, whether they join a Medicare Advantage plan that has a prescription drug plan or a stand alone prescription drug plan.



There will be an additional card that folks can present at the drug store when they're purchasing their prescriptions.

MS. JOHN PALMER: You know, we really can't repeat this too many times that help in choosing a plan is available from many state and local resources. Let's take a short break now and we'll return in just a minute.

MS: Still have questions? You can find more answers right in your own state or community. Call your state health insurance assistance program for free personalized help in comparing plans. Their number is in your Medicare handbook. Use community resources like senior centers, service organizations, or your local office on aging.

There are numerous places of worship throughout America offering special help and counseling. Thousands of people and organizations are standing by to help. All you have to do is ask.

MR. JOHN PALMER: I'd like to open it up to the audience now for those who have not spoken. That if you have a question, please stand up.

FS: My name is Phyllis Ladd Blackwell. My question is or rather my concern is the legitimacy of the various companies who will be soliciting senior citizens given the unfortunate scam things we have going on in any area. How will we know when we receive a piece of mail or a phone call from an insurance company that they have been approved by the Medicare program?



MR. JOHN PALMER: And that is a great question. Because we've all received mailings. We turn on the television. We see commercials for various companies, insurance plans. That's a good question. How do you know you're getting the straight scoop and these are legitimate good people and companies to deal with? Ms. Obiol?



MS. OBIOL: Yes, I appreciate that question. And we share your concerns. It's going to be important for all folks on Medicare to make sure that they select a Medicare drug plan from a company that has been approved by the Centers for Medicare and Medicaid Services. Certainly, you can find out in your state by using the web tools www.medicare.gov as to what companies have been approved by CMS in your particular area.



Your local SHIP Program, your state health insurance assistance programs will be sending out lists of companies approved in their state and will be providing counseling on a community level. I think anytime we have a change in a program of the magnitude that we're having with prescription drugs being added to Medicare, that it's important that all of us be the eyes and ears in our communities and report it to our state insurance information program.



MR. JOHN PALMER: OK. Well, let's go back to the audience now for another question. And you folks at home, we hope very much that these questions are representative ... we think they are ... of the questions that you have about this plan and that we're helping you as you go through the thought process and decide how are you going to handle this and what you're going to do. Let's go now to Zena Kerry.

MS. ZENA KERRY: My question is how can people with chronic conditions who often take as many as six to eight medications, sometimes more, find the right plan for them that's affordable and gives them access to the drugs that they need?

MR. JOHN PALMER: Dr. McClellan.

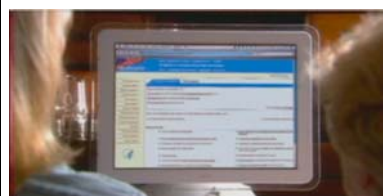
DR. McCLELLAN: This is a program for everyone with Medicare. And it's especially important for the people with chronic illnesses who need lots of medications. You cannot be denied for this Medicare coverage no matter what your health condition is today. It's covered for everyone with Medicare to give people help in getting the prescription drugs they need.

MR. JOHN PALMER: OK. This is the end of the meeting, but hopefully it's the beginning of the discussion. Thank you Dr. McClellan. And thank you Ms. Obiol and thank you Dr. Burnett. And to our wonderful audience today, thank you very much.

For the first time, people on Medicare have choices in their drug coverage. Making the right choice depends on having the right information. I'm John Palmer. Good night. And good health.

SECRETARY MICHAEL LEAVITT: This national meeting was just one of many resources out there to help you make a decision about Medicare prescription drug coverage. Now's the perfect time to sit down with family and friends for a conversation that can make a real difference in your life or the life of someone that you love.

So take the time. Look at the choices. Talk it over with others. And then sign up. You can do it by mail. You can do it on the phone. You can do it online.



	<p>The sooner you join, the sooner the coverage begins. And the closer we'll all be to longer, healthier, happier lives as Americans.</p> <p>Last Modified on Monday, November 21, 2005</p>	
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